

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Mark Nichols

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MUR 5027

CONCILIATION AGREEMENT

This matter was referred to the Federal Election Commission ("Commission") by the Department of Justice. The Commission found reason to believe that Mark Nichols ("Respondent ") knowingly and willfully violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, Mark Nichols, is a person within the meaning of 2 U.S.C. § 431(11).

2. Respondent, Mark Nichols, was the Chief Executive Officer ("CEO") of the Cabazon Band of the Mission Indians ("Tribe") in Riverside, California. As CEO, he supervised employees of the Tribe, and the various business ventures owned and operated by the Tribe.

3. Gregorio Cervantes was Customer Service Representative of the Tribe in Riverside County, California.

4. Beginning in or about 1994 and continuing through December 12, 1995, Mark Nichols engaged in a scheme to knowingly and willfully cause the Tribe to circumvent the campaign contribution limits by using the Tribe's money to make at least 28 conduit contributions, usually in \$1,000 amounts, through various members or employees of the Tribe to Clinton/Gore '96 and various candidates for the United States Senate and House of Representatives. The manner in which this scheme was effectuated was to encourage the conduits to make contributions to a candidate with the understanding that they would be reimbursed for their contributions by the Tribe. Mark Nichols would approve the reimbursement payments to the conduits of either bonuses or loans which were subsequently forgiven. Mark Nichols contends that following December 1995, he continued to participate in lawful fundraising activities, and that the conduit

contributions ceased at that time as the public awareness of the illegality of that procedure became more well known.

5. On June 15, 1995, Mark Nichols asked Donald Goodman and Elaine Goodman to each issue a check for \$1,000 to Clinton/Gore '96. On or about June 20, 1995, Mark Nichols approved a request that the Tribe issue to Donald Goodman a check in the amount of \$10,000 as reimbursement for the two June 15, 1995, checks. Mr. Goodman deposited the reimbursement check into the Goodman's joint account on or about June 24, 1995.

6. On or about June 17, 1995, Gregorio and Hortencia Cervantes each issued a check in the amount of \$1,000 to Clinton/Gore '96. On or about June 19, 1995, Mark Nichols approved a request that the Tribe issue to Gregorio Cervantes a check in the amount of \$4,000, a portion of which was to be used to reimburse Gregorio and Hortencia Cervantes for their contributions. Mr. Cervantes deposited half of the reimbursement check into the Cervantes' joint account on or about June 20, 1995.

7. On or about July 25, 1995, Gregorio Cervantes caused his sister, Beartice Cervantes, to issue a check for \$1,000 to Clinton/Gore '96 Primary. On or about July 26, 1995, Mark Nichols approved a request that the Tribe issue to Gregorio Cervantes a check for \$2,000, of which \$1,000 was intended as reimbursement to Beartice Cervantes for her contribution. On or about July 27, 1995, Gregorio Cervantes, using the proceeds of the Tribe's \$2,000 check given to him by Mark Nichols, deposited \$1,000 in cash into Beartice Cervantes' bank

account as reimbursement for her July 25, 1995, contribution of \$1,000 to Clinton/Gore '96 Primary.

8. On or about June 29, 1995, David Riemer issued a check for \$1,000 to Clinton/Gore '96. On or about September 15, 1995, AnnMarie Riemer issued a check for \$1,000 to Clinton/Gore '96. On or about September 19, 1995, Mark Nichols approved a request that the Tribe issue to David Riemer a check for \$2,000 as reimbursement for the Riemers' contributions. On or about September 19, 1995, David Riemer deposited the \$2,000 reimbursement check into his account.

9. Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.

10. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8)(A)(i).

V. Respondent, Mark Nichols, knowingly and willfully violated 2 U.S.C. § 441f by assisting in the making of at least 28 contributions by the Tribe in the names of others to Clinton/Gore '96 and various candidates for the United States Senate and House of Representatives.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Fifty-six Thousand dollars (\$56,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.


X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or

agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

12/11/00
Date

FOR THE RESPONDENT:


Mark Nichols

11/5/00
Date

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